

## Message Text

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ACTION EA-12

INFO OCT-01 ISO-00 SP-02 USIA-15 AID-05 EB-08 NSC-05  
TRSE-00 SS-15 STR-05 OMB-01 CEA-01 CIAE-00  
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FM AMEMBASSY TOKYO  
TO SECSTATE WASHDC PRIORITY 3797

UNCLAS SECTION 1 OF 2 TOKYO 19675

C O R R E C T E D C O P Y (TEXT)

PASS AGRICULTURE AND STR ELECTRONICALLY

E.O. 11652: N/A  
TAGS: EAGR, ETRD, JA  
SUBJECT: LIBERALIZATION OF AGRI IMPORTS HAS REACHED LIMIT  
SAYS VICE MINAG

1. SUMMARY. EMBASSY IS TRANSMITTING FULL TEXT OF AN INTERVIEW WITH VICE MINISTER OF AGRICULTURE UCHIMURA WHICH GIVES GOOD FLAVOR OF ACUTE PAIN U.S. DEMANDS ARE CAUSING JAPANESE AGRICULTURAL INTERESTS. THE MAIN POINTS ARE: (1) ALTHOUGH MAF HAS COOPERATED WITHIN THE GOJ IN EFFORTS TO REDUCE SURPLUS TRADE BALANCE, LIBERALIZATION HAS GONE AS FAR AS IT CAN; (2) U.S. HAS NO RIGHT TO REQUEST REDUCTIONS IN TRADE BARRIERS, BECAUSE IT MAINTAINS MANY SUCH BARRIERS ITSELF; (3) NO ONE FROM USDA HAS REQUESTED LIBERALIZATION; (4) IF JAPAN LIBERALIZED BEEF AND ORANGES, U.S. WOULD NOT BENEFIT--AUSTRALIA AND NEW ZEALAND WOULD SUPPLY THE BEEF, AND BRAZIL THE ORANGES; (5) MIKAN INDUSTRY WOULD BE DESTROYED IF ORANGE JUICE WERE LIBERALIZED; (6) JAPAN'S PROTECTION OF ITS AGRICULTURE HAS NEVER BEEN CRITICIZED INTERNATIONALLY; (7) AS LDC INCOMES AND FOOD CONSUMPTION INCREASE, FOOD SUPPLIES WILL BECOME SERIOUS GLOBAL PROBLEM. THEREFORE, UNCLASSIFIED

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JAPAN MUST MAINTAIN HIGH LEVEL OF SELF-SUFFICIENCY. END SUMMARY.

2. FULL TEXT OF TRANSLATION FOLLOWS:

LIBERALIZATION OF AGRICULTURAL PRODUCTS HAS REACHED THE LIMIT;  
INTERVIEW WITH AGRICULTURE-FORESTRY VICE MINISTER UCHIDA; US  
NOT QUALIFIED TO DEMAND LIBERALIZATION; FOOD PROBLEM SHOULD BE

VIEWED FROM LONG-RANGE STANDPOINT

AT THE US-JAPAN TRADE CONSULTATIONS, OUR COUNTRY SHOWED TO THE US OUR COUNTRY'S MEASURES FOR THE REDUCING OF THE SURPLUS. HOWEVER, THE US IS STRONGLY DISSATISFIED, AND THERE ARE ALSO MOVES FOR FURTHER PRESSING FOR THE OPENING OF THE MARKET TO AGRICULTURAL PRODUCTS. THE NIHON KEIZAI SHIMBUN ASKED AGRICULTURE-FORESTRY VICE MINISTER YOSHIHIDE UCHIMURA, WHO IS RECEIVING THE BRUNT OF THESE ATTACKS, ABOUT THE DIFFICULTIES HE IS ENCOUNTERING AND THE AGRICULTURE-FORESTRY MINISTRY'S BASIC POSTURE FOR FACING FUTURE CONSULTATIONS WITH THE US.

(MAIN POINTS OF UCHIMURA'S STATEMENTS)

1. THE AGRICULTURE-FORESTRY MINISTRY WILL ALSO CO-OPERATE IN THE REDUCING OF THE SURPLUS BALANCE, AS A MEMBER OF THE "JAPAN MARU," BUT THERE IS LITTLE ROOM LEFT FOR IT TO ACT FURTHER.

2. AGRICULTURE-CONNECTED PERSONS IN THE US ARE NOT DEMANDING THE LIBERALIZATION OF AGRICULTURAL PRODUCTS, AND AS REGARDS BEEF, THE US ITSELF IS SEEKING VOLUNTARY RESTRICTIONS ON THE PART OF EXPORTER-NATIONS, AND IT IS NOT IN A POSITION TO DEMAND LIBERALIZATION OF JAPAN.

3. IT IS A PROBLEM IF THE FOOD PROBLEM IS CONSIDERED FROM A SHORT-RANGE STANDPOINT. EVEN IF THERE MAY BE AN OVER-SUPPLY AT THE UNCLASSIFIED

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MENT, THERE IS THE DANGER OF ITS BECOMING INSUFFICIENT IN THE FUTURE. THEREFORE, THE RAISING OF THE SELF-SUFFICIENCY RATE IS NECESSARY.

QUESTION: THE JAPANESE SIDE'S MEASURES WERE PRESENTED AT THE US-JAPAN TRADE CONSULTATIONS. IT IS REPORTED, HOWEVER, THAT THE US SIDE HAS STRONG DISSATISFACTIONS WITH THE AGRICULTURE-FORESTRY MINISTRY'S PLAN. EVEN AFTER MAKING STUDY IN A FORWARD-LOOKING MANNER, WAS THAT THE ONLY RESULTS THAT YOU WERE ABLE TO PRODUCE?

ANSWER: THAT IS CORRECT.

QUESTION: THERE ARE MANY PERSONS WHO THINK THAT FURTHER LIBERALIZATION SHOULD HAVE BEEN POSSIBLE...

ANSWER: EVEN SO, IT WAS VERY DIFFICULT TO ARRIVE AT A CO-ORDINATION AMONG THE VARIOUS SECTORS CONCERNED, WITHIN THE MINISTRY, AND IT WAS QUITE A PROBLEM, EVEN TO PRODUCE THAT MUCH.

QUESTION: THE GOAL OF ATTAINING AN 80-PERCENT SELF-SUFFICIENCY RATE IN AGRICULTURAL PRODUCTS BY FISCAL 1985 WAS FORMULATED AT THE TIME OF THE FOOD CRISIS IN 1971. HAS NOT THE ENVIRONMENT CHANGED

SINCE THEN? THERE SHOULD BE ITEMS ON WHICH WE CAN RELY ON IMPORTS.

ANSWER: IT IS A PROBLEM IF YOU LOOK AT THE FOOD PROBLEM FROM A SHORT-RANGE STANDPOINT. AT THAT TIME, I WAS IN THE MINORITY WITHIN THE MINISTRY, ARGUING THAT THERE WILL NOT BE A FOOD CRISIS. AT THAT TIME, THE SOVIET UNION'S PURCHASING LARGE AMOUNTS OF GRAIN TRIGGERED A SHARP RISE IN THE MARKET PRICES OF GRAIN. TODAY, HOWEVER, THERE IS AN OVER-SUPPLY OF GRAIN, AND THE US REDUCED THE WHEAT ACREAGE.

IN THE FUTURE, HOWEVER, WHEN THE INCOMES OF THE DEVELOPING NATIONS INCREASE AND THEIR CONSUMPTION INCREASES, THE FOOD PROBLEM WILL BECOME A SERIOUS GLOBAL PROBLEM. TO TAKE THE CASE OF BEEF, BOTH THE OECD AND THE FAO FORECAST A SHORTAGE IN 1980.  
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THE ENSURING OF SECURITY IN FOOD-STUFFS IS IMPROTANT. HUMAN BEINGS CAN ENDURE A SHORTAGE OF CLOTHING AND HOUSING, BUT THEY CANNOT SURVIVE UNLESS THEY HAVE FOOD AND WATER.

QUESTION: WHEN VIEWED FROM THAT STANDPOINT, IS IT THAT PUBLIC OPINION'S ATTACKS AGAINST AGRICULTURAL AND FORESTRY MATERIALS ARE FALSE CHARGES?

ANSWER: AGRICULTURE AND FISHERIES ARE ALSO ONE PART OF THE JAPANESE ECONOMY, AND IT IS NOT POSSIBLE TO MANAGE, IF THEY ARE LEFT OUT. CONSEQUENTLY, WE MUST CO-OPRATE AS MUCH AS POSSIBLE FOR THE PROTECTING OF THE INTERESTS OF THE JAPANESE ECONOMY AS A WHOLE. THERE IS THE ARGUMENT THAT THE SIDE-EFFECTS OF EXPORTS ARE BEING SHIFTED ON TO AGRICULTURE, AND THE REBUTTAL AS TO WHY AGRICULTURE ALONE MUST SUFFER. HOWEVER, IT IS NOT NECESSARY TO GO TO SUCH EXTREMES. WE ARE ALSO A MEMBER OF THE "JAPAN MARU." THEREFORE, WE WILL ALSO CO-OPERATE.

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INFO OCT-01 ISO-00 SP-02 USIA-15 AID-05 EB-08 NSC-05  
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COME-00 FRB-01 INR-07 NSAE-00 XMB-04 OPIC-06

LAB-04 SIL-01 AGRE-00 DOE-12 SOE-01 OES-07 STRE-00

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-----130720 230811Z /11

P 230325Z DEC 77

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC PRIORITY 3798

UNCLAS SECTION 2 OF 2 TOKYO 19675

PASS AGRICULTURE AND STR ELECTRONICALLY

QUESTION: TO TAKE SOME RECENT EXAMPLES, WAS IT NOT THAT THE LIBERALIZATION OF LEMONS AND GRAPEFRUIT, WHICH WAS CARRIED OUT EARLIER, DID NOT RESULT IN SUCH A SERIOUS SITUATION AS HAD BEEN ASSERTED BY THE AGRICULTURE-FORESTRY MINISTRY IN OPPOSITION TO THEIR LIBERALIZATION?

ANSWER: THAT WAS BECAUSE IT JUST HAPPENED TO BE THAT WAY IN REGARD TO GRAPEFRUIT. AS FOR LEMONS, THEY WERE GROWN ALONG THE COASTS OF THE SETO INLAND SEA IN THE PAST, BUT AFTER THE LIBERALIZATION, THEY DISAPPEARED COMPLETELY. THE SAME CAN BE SAID ABOUT SOYBEANS AND BLACK TEA. LIBERALIZATION IS SOMETHING FEARFUL FOR AGRICULTURE.

QUESTION: IF ORANGES ARE LIBERALIZED, WHAT WILL HAPPEN TO MIKAN?

ANSWER: SOME PEOPLE ARGUE THAT MIKAN CAN COMPETE WITH ORANGES. HOWEVER, WHEN THERE IS AN OVER-SUPPLY ALREADY WITHIN THE COUNTRY, IT IS NOT POSSIBLE TO LIBERALIZE SOMETHING WHICH WILL COME INTO RIVALRY WITH IT.

AS FOR FRUIT-JUICE, AMERICAN-MADE JUICE IS CLEARLY MORE TASTY, AND IF FRUIT-JUICE IS LIBERALIZED, MIKAN-JUICE WILL COLLAPSE  
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COMPLETELY.

QUESTION: HOW ABOUT BEEF?

-, 234: ALL COUNTRIES ARE PROTECTING THEIR AGRICULTURE. IF THAT PROTECTION IS KEPT WITHIN A CERTAIN SCOPE, THEN THE UNDERSTANDING OF THE PEOPLE CAN BE OBTAINED. HOWEVER, THERE ARE VOICES SAYING THAT BEEF PRICES GO BEYOND THAT SCOPE. THEREFORE, IN REGARD TO THE LOWERING OF BEEF PRICES, THE MINISTER HAS GIVEN INSTRUCTIONS, AND WE ARE ALSO MAKING EFFORTS.

QUESTION: DO YOU NOT HAVE AN OUTLOOK AS TO BY WHEN AND TO WHAT EXTENT THEY WILL BE LOWERED?

ANSWER: IT WILL BE DIFFICULT IN A PERIOD OF ONE TO TWO MONTHS. IT WILL TAKE AT LEAST HALF A YEAR. THE MINISTER IS ALSO VERY WORRIED

ABOUT THIS, AND HE SAYS THAT HE OFTEN DREAM ABOUT BEING CRUSHED  
DOWN BY BEEF.

QUESTION: TO RETURN TO THE PROBLEM OF RELATIONS WITH THE US, WHAT  
CO-OPERATION CAN YOU GIVE IN THE FUTURE, AS A MEMBER OF MOE  
"JAPAN MARU"?

ANSWER: THAT WILL DEPEND ON WHAT DEMANDS THE US WILL MAKE.

QUESTION: THE POINTS THAT CAN BE EXPECTED ARE (1)VLHE ADDITIONAL  
INCREASING OF IFMS FOR LIBERALIZASON, (2) THE FURTHER EXPANSION  
OF THE FRAMEWORK FOR BEEF FOR HOTEL USE, ETC.

ANSWER: I HAVE NOT SEEN THE OFFICIAL TSTEGRAM CONCERNING THE  
CONTENTS OF THE TALKS BETWEEN SPECIAL ENVOY USHIBA AND US  
SECRETARY OF AGRICULTURE BERGLAND, BUT IT IS NOT POSSIBLE FOR  
THE US TO DEMAND LIBERALIZATION. AT THE TIME OF THE VISIT TO  
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JAPAN BY US PERSONS CONNECTED WITH AGRICULTURE THIS AUTUMN,  
AND AT THE TIME I MET WITH SECRETARY OF AGRICULTURE BERGLAND  
THIS JUNE, THERE WERE N DEMANDS FOR THE LIBEARALIZATION OF  
AGRICULTURAL PRODUCTS. EXPANSION OF FRAMEWORKS IS POSSIBGD,  
BUT THERE IS NO POSSIBILITY OF DEMANDS FOR LIBERALIZATION APPEARING  
FROM US PERSONS CONNECTED WITH AGRICULTURE.

QUESTION: IS IT NOT THAT THE US IS USING THE DEPARTMENT OF  
AGRICULTURE AND THE OFFICE OF THE SPECIAL TRADE REPRESENTATIVE  
(STR) SEPARATELY? IT SEEMS THAT SUCH MATTERS HABA BEEN MENTIONED  
BY THE STR SIDE.

ANSWER: IT WILL ABSOLUTELY NOT METNION LIBERALIZATION. THE US AND  
BRAZIL ARE IN A VERY GREAT STATE OF COMPETITION IN REGARD TO  
CITRUS FRUIT. IF JAPAN WERE TO LIBERALIZE ORANGES, THERE IS  
A POSSIBILITY THAT THE US WILL BECOME UNABLE TO EXPORT ORANGES  
TO JAPAN.

QUESTION: HOW ABOUT THE LIBERALIZATION OF BEEF?

ANSWER: THE US ENACTED THE EDIBLE MEAT IMPORT QUOTA ACT IN 1964.  
AND GAVE TO THE PRESIDENT THE AUTHORITY TO IMPOSEJIMPORT QUOTAS.  
HOWEVER, AS SOON AS IT WAS APPLIED, MRT  
TICISM ABOUT ITS BEING  
A VIOLATION OF GATT AROSE, AND IT WAS FORCED TO WITHDRAW IT.  
THEREFORE, IT IS NOW SEE  
PING SELF-IMPOSED RESTRICTIONS ON THE  
PART OF THE EXPORTER-NATIONS. IT IS NOT POSSIBLE FOR SUCH A  
COUNTRY TO DEMAND JAPAN'S LIBERALIZATION OF BEEF.

WHAT IT IS SAYING IS JUST THE FURTHER EXPANSION OF THE FRAMEWORK

FOR BEEF FOR HOTEL USE. IF THE FRAMEWORK FOR BEEF IN GENRA  
WERE  
EFQANDED, IT WILL BE SEIZED BY AUSTRALIA AND NEW ZEALAND.

THE JS IS ALSO ALLOCATING IMPORT QUOTAS TO A DOZEMQCJ SO ITEMS OF  
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AGRICULTURAL PRODUCTS, UNDER THE WAIVER CLAUSE. THE PEOPLE DO NOT  
KNOW ABOUT THESE THINGS.

QUESTION: DO YOU THINK THAT US-JAPAN CO-ORDINATION IN REGARD TO  
AGRICULTURAL PRODUCTS IS OVER? WILL THERE BE ANY ADDITIONS?

ANSWER: AS REGARDS AGRICULTURAL PRODUCTS, THRE IS HARDLY ANY ROOM  
LEFT.

QUESTION: DO YOU MEAN THAT THE US-JAPAN PROBLEM SHOULD BE SETTLED  
MAINLY THROUGH INDUSTRIAL PRODUCTS?

ANSWER: YES, THAT IS CORRECT. RECENTLY, IMPORTS OF MANUFACTURED  
PRODUCTS AND THE MOVED-UP LOWERING OF TARIFFS ARE TAKEN UP WITH  
BIG EMPHASIS, AND AGRICULTURAL PRODUCTS ARE NOT BEING MENTIONED.

QUESTION: EVEN SO, THE DEMAND FOR THE LIBERALIZATION  
OF AGRICULTURAL PRODUCTS IS DEEP-ROOTED. HOW CAN THIS PROBLEM BE  
SETTLED?

ANSWER: JAPAN'S PROTECTION OF ITS AGRICULTURE HAS NEVER BEEN  
CRITICIZED,  
INTERNATIONALLY. THE EC IS FAR WORSE THAN US. IT IMPOSES IMPORT  
SURCHARGES AND IT IS PROMOTING EXPORTS WITH THIS. JAPAN DOES  
NOT RESORT TO SUCH MEASURES.

I MAY BE PREJUDICED, BUT AGRICULTURE IS BSING MADE THE SCAPE-  
GOAT BY DOMESTIC PUBLIC OPINOON. IN THE PAST AND IN THE PRESENT  
CASE, TOO, AGRICULTURE COMES TO BE ATTACKED WHEN THERE ARISE  
TRADE PROBLEMS. IT SEEMS THAT THERE IS NEED TO PROBE INTO AND  
CLARIFY THE CAUSES FOR THIS.  
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## Message Attributes

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**TAGS:** EAGR, ETRD, JA  
**To:** STATE  
**Type:** TE  
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